

**USPS Preliminary Financial Information (Unaudited)**

**August 2013**

**(\$ Millions)**

						Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
<b>Operating Revenue:</b>										
Mail and Services Revenue*	\$5,325	\$5,148	\$5,354	3.4%	-0.5%	\$60,647	\$59,480	\$59,801	2.0%	1.4%
Government Appropriations	9	11	11	-25.2%	-18.2%	85	\$116	98	-27.2%	-13.4%
<b>Total Operating Revenue</b>	<b>\$5,334</b>	<b>\$5,159</b>	<b>\$5,365</b>	<b>3.4%</b>	<b>-0.6%</b>	<b>\$60,732</b>	<b>\$59,596</b>	<b>\$59,899</b>	<b>1.9%</b>	<b>1.4%</b>
<b>Operating Expenses:</b>										
Personnel Compensation and Benefits	\$4,126	\$4,098	\$4,299	0.7%	-4.0%	\$45,612	\$45,582	\$46,325	0.1%	-1.5%
Workers Compensation Caseload Expense	108	110	98	-1.6%	10.0%	1,242	1,287	1,221	-3.5%	1.7%
Transportation	541	530	532	2.0%	1.8%	6,175	6,210	6,095	-0.6%	1.3%
Supplies and Services	231	228	189	1.5%	22.3%	2,132	2,296	2,020	-7.2%	5.5%
Other Expenses**	575	551	564	4.4%	2.0%	6,282	6,121	6,188	2.6%	1.5%
<b>Total Controllable Operating Expenses</b>	<b>\$5,581</b>	<b>\$5,517</b>	<b>\$5,682</b>	<b>1.2%</b>	<b>-1.8%</b>	<b>\$61,443</b>	<b>\$61,496</b>	<b>\$61,849</b>	<b>-0.1%</b>	<b>-0.7%</b>
<b>Controllable Operating Income (Loss)</b>	<b>(\$247)</b>	<b>(\$358)</b>	<b>(\$317)</b>			<b>(\$711)</b>	<b>(\$1,900)</b>	<b>(\$1,950)</b>		
PSRHBF Expenses	\$467	\$467	\$467	0.0%	0.0%	\$5,133	\$5,133	\$10,633	0.0%	-51.7%
Workers Compensation (a)	(80)	(0)	158	NM	-150.6%	(893)	5	1,760	NM	-150.8%
<b>Net Operating Income (Loss)</b>	<b>(\$634)</b>	<b>(\$825)</b>	<b>(\$942)</b>			<b>(\$4,951)</b>	<b>(\$7,039)</b>	<b>(\$14,343)</b>		
Interest Income	\$2	\$2	\$2	4.9%	-2.0%	\$22	\$21	\$22	5.4%	-1.7%
Interest Expense	\$16	\$18	\$16	-12.0%	-2.1%	\$176	\$189	\$174	-6.9%	1.3%
<b>Net Income (Loss)</b>	<b>(\$648)</b>	<b>(\$841)</b>	<b>(\$956)</b>			<b>(\$5,105)</b>	<b>(\$7,207)</b>	<b>(\$14,495)</b>		
<b>Other Operating Statistics:</b>										
Mail Volume: (Millions)										
Total Mail (excludes all Int'l)	12,474	11,874	12,999	5.1%	-4.0%	141,376	136,487	142,949	3.6%	-1.1%
Total Shipping & Package Services (Includes all Int'l)	377	375	361	0.7%	4.7%	4,247	4,252	4,085	-0.1%	4.0%
<b>Total Mail, Shipping &amp; Package Services</b>	<b>12,851</b>	<b>12,249</b>	<b>13,360</b>	<b>4.9%</b>	<b>-3.8%</b>	<b>145,623</b>	<b>140,739</b>	<b>147,034</b>	<b>3.5%</b>	<b>-1.0%</b>
Total Workhours (Millions)	94	94	97	-0.3%	-2.5%	1,022	1,013	1,033	0.8%	-1.2%
Total Career Employees						491,880				
Total Non-Career Employees						126,040				

\*August 2013 has one less weekday and one more Saturday compared to August 2012.

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a) This represents non-cash adjustments; the impact of discount and inflation rate changes and the actuarial revaluation of new and existing cases.

The Postal Accountability and Enhancement Act (PL 109-435) requires the Postal Service to provide quarterly and annual financial reports in accordance with the rules and regulations promulgated by the SEC for such reports. The data on this page represents preliminary financial information for the month of August 2013 required by the Postal Regulatory Commission to be reported on a monthly basis. This data has not been subjected to all closing procedures and reviews required to present interim quarterly financial statements in accordance with generally accepted accounting principles (GAAP), nor does it constitute a full set of financial statements or contain all the necessary disclosures for a presentation in accordance with GAAP. If a full set of financial statements and related disclosures were included with this data, it might influence the user's conclusions about the Postal Service's financial position, results of operations, and cash flows. Accordingly, this financial data is not designed for those who are not informed about such matters. This data has not been audited, reviewed, or compiled by our independent auditor.

**Mail Volume and Mail Revenue (b)** (Source: Results derived from reclassified products based on Postal Service Revenue Pieces and Weights Reports)

**August 2013**

(Thousands)

	Current Period			Year-to-Date		
	Actual	SPLY	% SPLY	Actual	SPLY	% SPLY
<b>Mailing Services:</b>						
<i>First Class (excludes all parcels and Int'l):</i>						
Volume***	5,154,561	5,489,319	-6.1%	60,964,787	63,429,075	-3.9%
Revenue	\$2,211,383	\$2,314,359	-4.4%	\$26,073,546	\$26,636,842	-2.1%
<i>Standard Mail (excludes all parcels and Int'l):</i>						
Volume***	6,756,792	6,903,725	-2.1%	74,043,751	72,863,419	1.6%
Revenue	\$1,423,127	\$1,433,666	-0.7%	\$15,461,152	\$15,055,379	2.7%
<i>Periodicals:</i>						
Volume***	529,174	567,696	-6.8%	5,861,726	6,197,603	-5.4%
Revenue	\$141,378	\$149,502	-5.4%	\$1,524,397	\$1,588,701	-4.0%
<i>Package Services (excludes Standard Post &amp; Commercial Parcel Post):</i>						
Volume***	47,233	60,830	-22.4%	492,181	527,448	-6.7%
Revenue	\$73,871	\$87,266	-15.3%	\$736,979	\$774,958	-4.9%
<b>Total Mail (excludes all Int'l)</b>						
Volume***	12,473,995	12,999,193	-4.0%	141,376,641	142,949,198	-1.1%
Revenue	\$3,984,686	\$4,131,427	-3.6%	\$45,782,162	\$46,104,092	-0.7%
<b>Total Shipping &amp; Package Services (includes all Int'l)</b>						
Volume***	377,486	360,676	4.7%	4,246,705	4,084,671	4.0%
Revenue	\$1,351,408	\$1,235,907	9.3%	\$14,972,113	\$13,817,306	8.4%
<b>Total Mail, Shipping &amp; Package Services</b>						
Volume***	12,851,481	13,359,869	-3.8%	145,623,346	147,033,869	-1.0%
Revenue^	\$5,336,094	\$5,367,334	-0.6%	\$60,754,275	\$59,921,398	1.4%

\*\*\*Note: The sampling portion of the RPW system is designed to be statistically valid on a quarterly and annual basis.

^Revenue on this report includes investment and interest income.

(b) See Reclassification footnote on page 4 of this report.

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**USPS Preliminary Expenses (Unaudited)**  
**August 2013**  
**(\$ Millions)**

	Current Period					Year-to-Date					
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY	
<b>Personnel Compensation and Benefits:</b>											
Salaries & Benefits*											
City Delivery	\$1,421	\$1,454	\$1,469	-2.3%	-3.3%	\$15,647	\$15,491	\$15,710	1.0%	-0.4%	
Mail Processing	674	695	723	-3.0%	-6.8%	7,685	7,794	8,109	-1.4%	-5.2%	
Customer Services and Retail	459	489	496	-6.2%	-7.4%	5,142	5,336	5,505	-3.6%	-6.6%	
Rural Delivery	543	547	542	-0.8%	0.1%	5,709	5,738	5,677	-0.5%	0.6%	
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	760	680	798	11.8%	-4.7%	8,359	8,297	8,682	0.7%	-3.7%	
<b>Total Salaries &amp; Benefits</b>	<b>\$3,857</b>	<b>\$3,865</b>	<b>\$4,028</b>	<b>-0.2%</b>	<b>-4.3%</b>	<b>\$42,542</b>	<b>\$42,656</b>	<b>\$43,683</b>	<b>-0.3%</b>	<b>-2.6%</b>	
<b>Other Personnel Related Expenses</b>											
Retiree Health Benefits Current Premiums	\$250	\$233	\$226	7.2%	10.7%	\$2,606	\$2,564	\$2,402	1.6%	8.5%	
Worker's Compensation Caseload Expenses	108	110	98	-1.6%	10.0%	1,242	1,287	1,221	-3.5%	1.7%	
All Other Personnel Related Expenses (includes Retirement Incentive)**	18	0	46	NM	-62.0%	464	362	241	28.4%	93.0%	
<b>Total Other Personnel Related Expenses</b>	<b>\$376</b>	<b>\$343</b>	<b>\$370</b>	<b>9.7%</b>	<b>1.4%</b>	<b>\$4,312</b>	<b>\$4,213</b>	<b>\$3,863</b>	<b>2.3%</b>	<b>11.6%</b>	
<b>Controllable Personnel Compensation and Benefits</b>	<b>\$4,233</b>	<b>\$4,208</b>	<b>\$4,398</b>	<b>0.6%</b>	<b>-3.7%</b>	<b>\$46,854</b>	<b>\$46,869</b>	<b>\$47,546</b>	<b>0.0%</b>	<b>-1.5%</b>	
<b>PSRHBFB Expenses</b>											
Workers' Compensation (a)	\$467	\$467	\$467	0.0%	0.0%	\$5,133	\$5,133	\$10,633	0.0%	-51.7%	
Workers' Compensation (a)	(80)	(0)	158	NM	-150.6%	(893)	5	1,760	NM	-150.8%	
<b>Total Personnel Compensation and Benefits</b>	<b>\$4,620</b>	<b>\$4,675</b>	<b>\$5,023</b>	<b>-1.2%</b>	<b>-8.0%</b>	<b>\$51,094</b>	<b>\$52,007</b>	<b>\$59,939</b>	<b>-1.8%</b>	<b>-14.8%</b>	
<b>Non-Personnel Expenses:</b>											
Transportation	\$541	\$530	\$532	2.0%	1.8%	\$6,175	\$6,210	\$6,095	-0.6%	1.3%	
Supplies and Services	231	228	189	1.5%	22.3%	2,132	2,296	2,020	-7.2%	5.5%	
Depreciation and Amortization	154	162	165	-5.3%	-6.9%	1,748	1,819	1,911	-3.9%	-8.5%	
Rent	79	81	82	-2.0%	-4.0%	907	941	931	-3.6%	-2.6%	
Utilities and Heating Fuel	61	54	52	13.6%	16.8%	550	528	553	4.1%	-0.5%	
Vehicle Maintenance Service	94	75	90	24.8%	4.7%	957	873	915	9.5%	4.6%	
Information Technology	46	31	44	45.0%	3.6%	470	457	431	3.0%	9.2%	
Rural Carrier Equipment Maintenance Allowance	50	44	52	13.1%	-4.1%	514	547	531	-6.0%	-3.2%	
Other**	92	104	79	-10.9%	17.1%	1,136	957	917	18.7%	23.8%	
<b>Total Non-Personnel Expenses</b>	<b>\$1,348</b>	<b>\$1,309</b>	<b>\$1,285</b>	<b>3.0%</b>	<b>4.9%</b>	<b>\$14,589</b>	<b>\$14,628</b>	<b>\$14,304</b>	<b>-0.3%</b>	<b>2.0%</b>	
<b>a) This represents non-cash adjustments; the impact of discount and inflation rate changes and the actuarial revaluation of new and existing cases.</b>	<b>\$5,968</b>	<b>\$5,984</b>	<b>\$6,308</b>	<b>-0.3%</b>	<b>-5.4%</b>	<b>\$65,683</b>	<b>\$66,635</b>	<b>\$74,243</b>	<b>-1.4%</b>	<b>-11.5%</b>	
Interest Expense	16	18	16	-12.0%	-2.1%	176	189	174	-6.9%	1.3%	
<b>Total Expenses</b>	<b>\$5,984</b>	<b>\$6,002</b>	<b>\$6,324</b>	<b>-0.3%</b>	<b>-5.4%</b>	<b>\$65,859</b>	<b>\$66,824</b>	<b>\$74,417</b>	<b>-1.4%</b>	<b>-11.5%</b>	

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**USPS Preliminary Workhours (Unaudited)**

**August 2013**

(Thousands)

	Current Period					Year-to-Date				
	Actual	Plan	SPLY	% Plan	% SPLY	Actual	Plan	SPLY	% Plan	% SPLY
Workhours*										
City Delivery	34,029	33,536	33,623	1.5%	1.2%	362,661	355,075	358,297	2.1%	1.2%
Mail Processing	16,492	16,379	17,233	0.7%	-4.3%	187,545	183,896	193,483	2.0%	-3.1%
Customer Services	11,452	11,553	12,195	-0.9%	-6.1%	127,621	127,363	133,243	0.2%	-4.2%
Rural Delivery	15,571	15,664	15,742	-0.6%	-1.1%	162,541	162,315	163,704	0.1%	-0.7%
Other, including Plant and Vehicle Maintenance, Operational Support, Postmasters, and Administration**	16,582	17,281	17,721	-4.0%	-6.4%	181,172	184,542	184,747	-1.8%	-1.9%
<b>Total Workhours</b>	<b>94,126</b>	<b>94,413</b>	<b>96,514</b>	<b>-0.3%</b>	<b>-2.5%</b>	<b>1,021,540</b>	<b>1,013,191</b>	<b>1,033,474</b>	<b>0.8%</b>	<b>-1.2%</b>

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**(b) Page 2 Reclassification events:**

Oct 1, 2011 (QT1 FY12): Commercial Parcels under First-Class Parcels (from market dominant both single piece and presort) moved to the competitive category under First-Class Package Service.

Jan 22, 2012 (QT2 FY12): Machinable and irregular parcels under Standard Mail Regular Parcels (from market dominant) moved to the competitive category under Parcel Select Lightweight.

Jan 27, 2013 (QT2 FY13): First-Class Mail International Packages (from market dominant) moved to the competitive category under First-Class Packages International Service.

Jan 27, 2013 (QT2 FY13): Parcel Post except Alaska Bypass (from market dominant) moved to the competitive category under Standard Post. Commercial Parcel Post was eliminated. However, mailers using commercial Parcel Post in the past can send their packages using nonpresorted Parcel Select without the usual restrictions.

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